Municipal Strengthening Project (PROMUNI)

Annual Report
Fiscal Year 2011
August 2010 – September 2011

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Annual Report, Fiscal Year 2011, August 2010 – September 2011
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Abbreviations

AME	Association of Ecuadorean Municipalities / Asociación de Municipalidades Ecuatorianas
AMUME	Association of Ecuadorean Women Municipal Leaders / Asociación de Mujeres Municipalistas Ecuatorianas
BdE	State Development Bank / Banco del Estado
CCEG	Council Commission on Equality and Gender / Comisión de Igualdad y Género del Concejo Municipal
Constitution	National Constitution of the Republic of Ecuador, 2008
COOTAD	Organic Code on the Territorial Organization of Autonomous and Decentralized Areas / Código Orgánico de Organización Territorial Autonomía y Descentralización
COPFP	Organic Code for Planning and Public Finance / Código Orgánico de Planificación y Finanzas Publicas
COTR	Contracting Officer's Technical Representative
CPC	Corporación Participación Ciudadana
eSIGEF	Integrated Financial Management System / Sistema Integrado de Gestión Financiera
FOSIN	Comprehensive Security Fund / Fomento para la Seguridad Integral de la Frontera Norte (project of STPE and the European Union)
GJD	Governing Justly and Democratically
IAEN	National Institute of Higher Studies / Instituto Nacional de Altos Estudios
INCOP	National Institute for Public Procurement / Instituto Nacional de Contratación Pública
INPC	Instituto Nacional de Patrimonio Cultural / National Institute of Heritage and Culture
LOTAIP	Organic Law on Transparency and Access to Public Information / Ley Orgánica de Transparencia y Acceso a Información Publica
M&E	monitoring and evaluation
MEF	Ministry of Economy and Finance / Ministerio de Economía y Finanzas
MIDUVI	Ministry of Urban Development and Housing / Ministerio de Desarrollo Urbano y Vivienda
MOU	memorandum of understanding
MTPT	Municipal Technical Planning Team

PDOT	Plan de Desarrollo y Ordenamiento Territorial / Plan for Development and Territorial Organization
PIDEM	Integrated Program for Municipal Development / Programa Integrado de Desarrollo Municipal
PMP	Performance Monitoring Plan
PRODEL	Program for Local Economic Development / Programa de Desarrollo de Empresas Locales
PROMUNI	Municipal Strengthening Project / Proyecto de Fortalecimiento Municipal
RTI	RTI International (trade name of Research Triangle Institute)
SIOC	Sistema de Información de la Oferta de Cooperación / Information System of Cooperating Organizations
SCPC	Sistema Cantonal de Participación Ciudadana / Municipal System for Citizen Participation
SENPLADES	National Office for Planning and Development / Secretaría Nacional de Planificación y Desarrollo
SIG-AME	AME's Municipal Management Information System / Sistema de Información Gerencial de AME
SNCP	Sistema Nacional de Contratación Pública / National System for Public Procurement
STPE	Technical Secretariat for Plan Ecuador / Secretaría Técnica Plan Ecuador
STTA	short-term technical assistance
TA	technical assistance
USAID	U.S. Agency for International Development
USG	U.S. Government
UTPL	Universidad Técnica Particular de Loja / Technical University of Loja
VAT	value-added tax

Executive Summary

The Municipal Strengthening Project (PROMUNI) initiated its activities on August 2, 2010, and will continue until July 31, 2013. This first-year reporting period covers the activities and results achieved from the starting date until September 30, 2011.

During this time, PROMUNI assembled office space and equipment, completed hiring of personnel, and prepared action plans for the first and second year. Both these plans were prepared with the active participation of supported municipalities, the Association of Ecuadorean Municipalities (AME), and the Technical Secretariat for Plan Ecuador (STPE).

PROMUNI began executing its implementation strategy aimed at identifying local government key counterparts as well as selecting municipalities for the first two phases. Memoranda of Understanding (MOUs) and commitments for joint work were also signed or furthered with STPE, AME, the Ministry of Economy and Finance (MEF), and the National Institute for Public Procurement (INCOP).

Organization of This Document

This report is organized into seven sections and one annex. The first section, Introduction, consists of a short narrative description of the report. The second, third, and fourth sections review the progress to date, challenges, and solutions for each of the results. The fifth and sixth sections cover monitoring and evaluation of the project, as well as major upcoming internal, national, and local activities. Finally, Section 7 reports on the administration and coordination of the project. The annex presents indicator progress for each phase-one municipality.

Progress Toward PROMUNI Results

PROMUNI initiated its programmatic activities after MOUs with the first 10 selected municipalities were signed. The first activities to take place were assessments of the past and current municipal institutional situations, which resulted in baselines related to the three project components: institutional strengthening, citizen participation, and transparency. This implementing strategy enabled PROMUNI to determine a specific strategy of intervention for each municipality in accordance with its specific needs. PROMUNI will operate with the same approach in the second-phase municipalities.

In addition, PROMUNI promoted coordination activities with other donor organizations and other USAID projects being carried out within the territories of PROMUNI's intervention. These organizations include the European Union's Comprehensive Security Fund (FOSIN), USAID's Program for Local Economic Development (PRODEL), USAID's Costas y Bosques Sostenibles Project, USAID's Integrated Program for Municipal Development (PIDEM), and Corporación Participación Ciudadana (CPC; funded in part by USAID). During this first year of activities, PROMUNI established itself as a reliable and responsible project in the eyes of USAID/Ecuador, AME, Plan Ecuador, mayors, high-level municipal staff

members, citizens, and other organizations such as the Association of Ecuadorian Women Municipal Leaders (AMUME).

For each programmatic component, PROMUNI has developed specific management tools and procedures, and has provided training and capacity to municipal staff members and to community members. These strategies have built local capacity and driven much greater community interest in participating in municipal decision making and oversight. All tools and procedures implemented by PROMUNI buttress the municipal systems for citizen participation which, in turn, institutionalizes a new and proactive relationship between municipalities and their communities.

Component 1

Tangible Result: Increased Municipal Capacity

During this first year of program implementation, one of the most important achievements was to encourage decision making at the highest level of municipal administrations. These decisions determined the starting point for conducting activities to improve the capacity of the municipal administrations. One key element of the capacity-building was leading training workshops for municipal staff members; a second was implementing communication strategies that resulted in the application of practices to increase municipal own-source revenues. Four key elements were addressed in this second area: recovery of arrears, recovery of value-added tax (VAT) payments, optimization of service cost-structure, and leveraging of funds. Improving these processes enables municipal administrations to expand their budgets and therefore better respond to community needs, without increasing taxes and fees or adopting new taxation policies. Thus, PROMUNI helped municipalities to shift citizens' perception of their local government to a substantial degree. The adoption of such practices spread to other municipalities, even those not included in PROMUNI's targeted communities. For instance, PROMUNI carried out technical assistance (TA) to conduct an assessment and design a methodology for potable water services in one municipality (Eloy Alfaro), which in turn can be implemented in other municipalities.

Several training workshops were held to introduce and familiarize municipal finance officials to with AME's Municipal Management Information System (SIG-AME), which consists of a municipal integrated financial management information system that is networked to the MEF. This system in turn will become an appropriate tool for preparing municipal capital investment projects based on PROMUNI's priority setting exercise (Plan for Development and Territorial Organization, or PDOT) in the context of the requirements of the National Office for Planning and Development (SENPLADES).

Component 2

Tangible Result: Citizen Participation and Oversight Increased

This component is targeted at establishing and increasing citizen participation in municipal decision making and at promoting oversight. These democratic processes were not being used, nor were appropriate mechanisms in place to ensure citizens knew about either political decisions or the roles they could play in their communities. Previously mayors or council members were the only ones to decide what to do and how to use municipal budgets. PROMUNI was able to turn this situation around by arranging dialogues and meetings with local authorities that resulted in municipal policy decisions to create, implement, and strengthen participatory municipal planning and to streamline oversight.

PROMUNI's first challenge was to adjust its participatory planning methodologies and tools to the laws and regulations newly enacted by the Government of Ecuador and to the Planning Guides established by SENPLADES. Afterward, PROMUNI decided to conduct training and implement methodologies that would enable municipal staff members to identify local actors and develop local actor maps. Local actors are individuals, organization leaders, institutional representatives, and other citizens who have demonstrated interest in local development. As a result of these activities, municipalities now have identification maps of their local involved actors.

In order to promote citizen participation and participatory planning, together with the selected municipalities, PROMUNI developed and implemented special and well-targeted communication strategies that enabled citizens to understand their role and motivated their involvement in municipal planning, oversight, and transparency.

Included in this PROMUNI strategy were some other activities that took place simultaneously. Among them were assistance to develop and enact ordinances to regulate and guarantee citizen participation; and the implementation of the municipal council "extra chair," which enables citizens to assert their right to participate as temporary members of the municipal council during the debate, vote, and decide on a particular matter of interest. Other TA activities were dedicated to the creation of Municipal Technical Planning Teams (MTPTs) within the structure of the municipal organization. PROMUNI put in place training for MTPT members to ensure that their planning approaches would be participatory.

Component 3

Tangible Result: Promoting Transparency in Municipal Management

One of PROMUNI's strategic mechanisms for meeting its targets and objectives is to ensure that citizen oversight and participation merge into one action that strengthens local planning.

Decisions by mayors and council members to promote transparency, institutional strengthening, and citizen participation should be considered one of the most important achievements of PROMUNI interventions. Political decisions to implement significant changes and improvements are a huge step, in that they enable implementation of substantive changes in municipal administration, citizen–municipal staff involvement, and implementation of transparency and accountability procedures. It must be understood that changes are not always welcomed, especially if they affect the authority and positions of high-level officials and their political supporters.

After engaging successfully with the municipalities on their transparency-related decisions, PROMUNI made additional arrangements and coordinated with Corporación Participación Ciudadana to share methodological information related to transparency and citizen participation procedures (the municipality of Tulcán was chosen for a pilot project). PROMUNI also arranged with AME to promote horizontal transparency among municipal units and staff members; previously it was not usual for information to be shared among administrative or technical units even within a given municipality. AME also formally agreed to take responsibility for implementing municipal websites that will make municipal information available to citizens.

Monitoring and Evaluation

Progress on the monitoring and evaluation (M&E) plan varied among indicators. Important progress was made on indicators related to increased own-source revenues, investment budgets, service improvements, training, and mechanisms available for citizens to engage their local government. Some indicators did not progress as expected because preconditions, previous processes, or the requirements in the definition for the indicator were not fully met. The main reason for the discrepancies was the difference between the USAID reporting periods and the planning and budgeting cycle for municipalities. This is the case for indicators related to investments allocated with participatory citizen input and to the use of participatory planning tools.

PROMUNI also conducted activities that are not part of our indicator set but are necessary to add more value to the TA provided. This was the case with the international seminar on "Development, Planning, and Security in Border Zones" (see next section).

Project Cooperation and Coordination

Coordination with counterpart organizations and other institutions was essential to develop, adapt, and implement TA tools in supported municipalities. AME has become our most preeminent partner in developing methodologies and tools, while STPE's support is central for keeping up the momentum of PROMUNI's activities along the northern border. PROMUNI, in coordination with AME and STPE, conducted the international seminar "Development, Planning, and Security in Border Zones" in September 2011. This seminar reinforced the concept of citizen security as a function of municipalities as well as promoting discussions about its integration into development plans. The conclusions of this seminar were adopted by STPE and will be presented to the National Assembly.

The project's work with AMUME focused on shaping municipal councils' gender and equality commissions and supporting AMUME's political school for women leaders.

Specific work understandings were reached with institutions such as INCOP, the National Institute of Higher Studies (IAEN), and the Ministry of Economy and Finance. PROMUNI and INCOP will cooperate in the development of tools and training to strengthen public procurement processes in municipalities. With IAEN, PROMUNI developed a relationship to train officials from supported municipalities in various aspects of public administration. With the MEF, PROMUNI will cooperate in providing feedback on and facilitating the implementation of fiscal policies for municipalities. For example, PROMUNI offered to assist in designing tools for multi-year budgeting that can link the local and national levels.

Collaboration with other USAID projects was affected by the need to first define specific activities and products on which PROMUNI and the other projects could work productively. In USAID's planning workshops, several lines of coordination and joint work among projects were identified. The main conclusion was that in municipalities where PROMUNI intervenes, other projects will contribute to the

preparation of Plans for Development and Territorial Organization (PDOTs) by participating in the discussions of participatory assemblies within the corresponding planning systems.

1. Introduction

This Annual Report describes the results of PROMUNI's programmatic activities during the period August 2, 2010–September 30, 2011. This report includes the activities performed during the last quarter of this fiscal year. The project started operations on August 2, 2010; consequently, this report covers a 14-month period, in addition to reporting PROMUNI's interventions in accordance with its FY2011 work plan and PMP indicators.

The following annex is included in this report:

Annex A: Progress on PROMUNI Indicators for FY 2011 by Municipality (Phase One)

During this first year PROMUNI achieved several important spillover effects in addition to its planned influence. For example, the project is now seen by the supported municipalities as a source of advice and methodologies. Municipalities also consult PROMUNI when they need technical assistance. Furthermore, their staff members are now capable of controlling the quality of the materials they produce in connection with the technical assistance they receive in matters covered by PROMUNI. The most important result achieved by PROMUNI during this fiscal year is the design and implementation of management tools that the municipalities need in order to comply with the functions assigned to them under the new Constitution and legal framework. These instruments were a key part of RTI's original proposed design.

2. Result 1: Increased Capacity in Public Management

2.1   Progress in Capacity Building

The formation of municipal technical teams to carry out change-focused interventions with PROMUNI technical assistance was key to achieving results and goals in institutional strengthening during this year. The municipal teams increased public management capacity in supported municipalities. The most significant actions and results are described below.

Task 1: Increase own-source revenues

PROMUNI put great effort into increasing own-source revenues in targeted municipalities in this first year. Results in this area were accomplished by using methodological approaches tailored to each targeted municipality. Main activities and results in this area were as follows.

- Project staff conducted detailed historic analyses of own-source funds in all supported municipalities to learn about the behavior and tendencies of these revenues.

- PROMUNI developed and implemented a financial analysis tool for identifying opportunities to increase own-source funding in municipalities. This tool was used and transferred to municipal teams in workshops and on-the-job training conducted to define strategies and action plans to increase own-source revenues. PROMUNI and municipal officials concentrated on devising strategies for each municipality that strengthened stability in local governance.

- PROMUNI impelled municipal teams to apply strategies for increasing own-source funds by giving specific TA and promoting institutional and technical exchanges among municipalities to share experiences in arrears collections, VAT recovery, and service improvements. In these exchanges, municipal technical teams learned successful strategies, identified areas needing strengthening and established intermunicipal cooperation.

- All supported municipalities that increased their own-source revenues directed these fresh funds to investment accounts in their budgets.

To keep track of activities to increase own-source funds, PROMUNI designed information matrices to monitor, on a monthly basis, the impact and progress of PROMUNI's TA in supported municipalities.

The fiscal effort expended to increase own-source revenues is a variable in the central government's funds transfer formula. This means that supported municipal autonomous governments will benefit from incentives from the MEF in the transfer formula next year.

Furthermore, to improve the long-term benefits of the work done to increase funds for municipalities, PROMUNI approached the MEF and reached an agreement to develop tools to facilitate the transfer of funds from the

Success Story: Politics and collection of own-source revenues

Old-school politics and patronage are often the main obstacle to providing TA to increase own-source funding in municipalities. A recurring argument against collecting taxes and arrears is that citizens will grow hostile to mayors if they enforce revenue-collection policies. PROMUNI worked with mayors to help them understand the need to collect revenues, as well as various ways to inform the public about the collection process and the destiny of those funds. After political will and communication strategies were in place, the municipalities successfully collected arrears and VAT refunds. As a case in point, it was thought to be dangerous to further collection policies in the municipality of Rioverde. But by applying the recommendations and TA from PROMUNI, this municipality managed to increase own-source funds by 53% (US$ 72,120). These fresh funds were allocated to investments in drinking water. In all municipalities that received TA to improve revenues, funds are being used for capital investments.

Success Story: Leveraging funds

The municipality of Tulcán determined that transforming its main marketplace would improve living conditions in the city. It planned a complete makeover of the marketplace to turn it into the "Well-Being Square." However, the municipality could not access credit from the State Development Bank for this plaza. PROMUNI helped this municipality by providing architectural and engineering design as well as a study of fares and fees for the operation of the new plaza. These inputs, which cost US$5,000, qualified the municipality for a loan to build the plaza.

Ecuadorean government to municipalities according to the new regulations for distribution and allocation of funds.

PROMUNI and AME have also strengthened management capacities by installing the SIG-AME software in municipalities. This has enabled municipalities to get timely financial reports about budget execution and optimization of accounts.

Officials from supported municipalities visited Quilanga to observe solid-waste processing and recycling. September 2011

Task 2: Leverage financial resources

In this area of activity, PROMUNI—with the support of RTI technical advisors—developed an Excel-driven capital investment and appraisal tool to create multiyear budgets in municipalities. This tool is based on the Methodology for Multiyear Budgets designed and tested by RTI in several other countries. Our work basically encompassed the adaptation of RTI's tool to the Ecuadorean context and regulations.[1] The use of this tool and methodology will allow municipalities to create better projections of their budgets for four to five years. With this tool, municipalities and citizen organizations have an estimate of the financial resources available to the municipalities, and their financing or leveraging needs, which they can then direct to national, international, public, or private organizations in order to find financing for their PDOTs. This tool has been tested in the municipalities of Mira and Montúfar and will serve as a reference for all municipalities nationwide.

Additionally, in order to facilitate financing and leveraging of funds for projects derived from PDOTs, PROMUNI has trained municipal officials to prepare project profiles using SENPLADES's templates. This training was provided with the participation of IAEN.

Task 3: Improve services

PROMUNI accomplished some improvements in public municipal services such as water and sewerage, garbage disposal, and marketplaces in several supported

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[1] Multiyear budgeting tools are still being studied by the Ministry of Economy and Finance for central government institutions. However, the tool designed by PROMUNI takes into account the guidelines received from this ministry.

municipalities. Several methods were used to contribute to improving the performance of municipal services:

- **Experience exchange:** through observation visits to municipalities that have better practices in service delivery, municipal officials and teams shared problems, solutions, practices, tools, and the like. The visiting *and* hosting officials developed and reinforced capacities in service management.

- **Service costing:** PROMUNI developed and implemented a service-costing tool for water and sewerage in the municipality of Eloy Alfaro and in its municipal company. This tool can be used and replicated in other municipalities that need to determine the real cost of services to establish appropriate tariff levels.

- **Interinstitutional coordination:** PROMUNI and the Ministry of Urban Development and Housing (MIDUVI) established an alliance for providing technical assistance to supported municipalities. This alliance prevented overlapping of actions and resources. This coordinated action included the municipalities of Mira and Montúfar for their water and sewerage services.

- **Studies and design:** The municipality of Tulcán is improving its marketplace. With the support of the National Institute of Heritage and Culture (INPC) and the State Development Bank (BdE), the municipality of Tulcán will turn the existing marketplace into "Well-Being Square." Studies and designs were provided by INPC. PROMUNI supported this effort by developing the management model and fee structure for this renewed service. Furthermore, PROMUNI helped Tulcán fulfill the requirements for obtaining a loan from BdE.

- **Regulations:** The municipality of Espíndola enacted an ordinance that regulates fees and collection procedures for its sewerage service. The enforcement of this ordinance, supported by PROMUNI, was new in Espíndola and required the development of specific strategies to convince residents of the community to pay for this service.

- **Organization and delivery of services:** PROMUNI aided the municipalities of Rioverde and Quilanga to modify the routes and frequency of their garbage collection services. This action allowed the services to reach more families that now benefit from them.

Preparation of project grant fund

- A modification to RTI's contract with USAID was signed and PROMUNI is now ready to implement this fund starting in October 2011.

- Grants will be given to fund small-scale projects, as well as actions aimed at building citizen confidence in participatory processes and setting in motion larger-scale projects prioritized in participatory assemblies. Projects and actions to be funded might be studies, equipment (for service improvement and municipal management such as computers, trucks for collecting garbage, vehicles, etc.), communication plans and products, designs, feasibility studies, arrears collection plans, and others.

Patricia Quintero, Financial Manager from the municipality of Rioverde, presents the communication campaign for arrears collection. September 2011
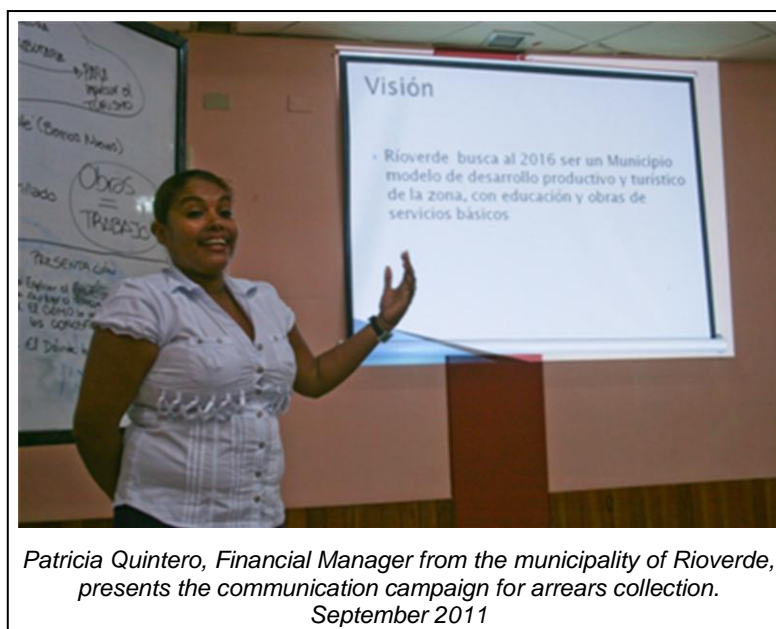
2.2   Challenges in Capacity Building

One of the major challenges PROMUNI faced in this first year was the reluctance of municipal council members, mayors, and other officials to implement strategies for increasing own-source revenues. They feared negative political consequences if they were to take action to increase taxes and fees, collect arrears, and collect special contributions for urban improvements.[2] Municipal officials' beliefs and fears reduced the effectiveness of PROMUNI's assistance in the first months of execution. However, once successful experiences started to emerge, this reluctance was reduced to a minimum and the work with phase-one municipalities gained new impetus. PROMUNI will have to face this same challenge with the municipalities that will enter the program in the second and third phases. Another challenge PROMUNI will have to tackle is the resistance to the changes needed to fully implement the new legal framework in supported municipalities. Finally, a culture of tax evasion among citizenry in all municipalities is another challenge PROMUNI will have to confront in order to implement the project successfully. Our citizen participation component contemplates specific strategies to create a new paradigm of a citizen-paying culture for services received.

2.3   Solutions and Success Stories in Capacity Building

Internships, exchanges, and observation visits have proven powerful for motivating municipal authorities and officials to work toward improving management capabilities in targeted municipalities. It is noticeable the changes in attitudes before and after the visits to hosting municipalities. New dynamics start to appear in technical teams and healthy competition among participant municipalities occurs.

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[2] Urban improvements in this category can be sidewalks, streets, lighting, parks, sports infrastructure, and the like.

These knowledge exchange practices, supported by toolboxes (see Section 7.5), will enhance the effectiveness of PROMUNI as a whole.

3. Result 2: Increased Citizen Participation and Oversight

3.1 Progress in Citizen Participation

Citizen participation processes are solidly in place in phase-one municipalities after this first year of execution. Supported municipalities have completed the groundwork for the preparation of their PDOTs.

Task 1: Carry out research

Research activities in citizen participation conducted during this year focused mainly on the following activities:

- Development of planning tools and methodologies.
- Institutional capacity analysis for preparation, implementation, and execution of PDOTs, Municipal Systems for Citizen Participation (SCPCs), and communication strategies.
- Identification of actors in each territory.
- Gathering of economic, environmental, social, cultural, and institutional information.
- Identification of local circumstances, problems, and options for each planning system as provided by the development regime established by the Constitution.
- Preparation of comprehensive diagnostics, analysis of trends (both actual and desired), and PDOTs.

The tools and products derived from research activities in citizen participation have been implemented in most, if not all, phase-one municipalities. These products are:

- Map of active actors in the territory.
- Draft ordinance for the creation of the Municipal System for Citizen Participation.
- Tools for diagnostics of the environmental, economic, social and cultural, and political-institutional systems.
- Comprehensive diagnosis, including current territorial model, for PDOTs

- Development of proposals for investment projects in SENPLADES's template.

Task 2: Determine a communication strategy

Work in municipal communication strategies for participation entailed defining and identifying local mass media (TV, radio, press, billboards), personalized media (Internet, mobile and conventional pones, door-to-door visits, surveys), and direct media (workshops, debates, forums) for informing citizenry about municipal systems for citizen participation. Municipal officials worked to define strategies that would use appropriate mixes of messages and media to deliver information to citizens about functioning of the SCPC, municipal citizen assemblies, and participatory planning and other events.

Direct media, basically workshops and work meetings, were also used to reach municipal council members and officials responsible for the planning, environmental, economic and community development, and social and cultural areas. PROMUNI technical staff used these events to transfer information and knowledge, and to develop skills in the use of participatory planning tools. PROMUNI also exploited these events to foster better instincts among municipal officials for ways to involve citizens.

Among the achievements in this area are:

- Municipal communication strategies designed and implemented by phase-one supported municipalities.
- Development of municipal corporate images and preparation of communication products in all targeted municipalities.

Promotional products (banners, brochures, and folders) for the participatory assembly in Mira, designed by municipal communication staff. August, 2011.

- Final municipal diagnostics for each planning system in supported municipalities were submitted to citizen representatives for their analysis and validation in municipal participatory assemblies. In most municipalities, this was the first time citizens had been informed about the conditions within their municipalities *before* they participated in assemblies. PROMUNI has

effectively promoted a positive change in the quality of citizen participation in supported municipalities.

- Another important aspect is the use of local providers to carry out the communication strategies. These strategies are jointly funded by each municipality and PROMUNI. Municipalities have opened up new opportunities for local companies and professionals. Working with local providers was an important point in RTI's original proposal.

Task 3: Institutionalize citizen participation processes

In order to institutionalize citizen participation processes

Inauguration of the participatory assembly in Rioverde. September 2011

in targeted municipalities, PROMUNI carried out several main activities aimed at implementing regulations established by the Constitution, the Organic Law on Citizen Participation, the Organic Code on the Territorial Organization of Autonomous and Decentralized Areas (COOTAD), and the Organic Code for Planning and Finance (COPFP). The main achievement during this last quarter and year was the enactment of ordinances that create the Municipal Systems for Citizen Participation in all phase-one municipalities and five from the second phase. In these municipalities, local actors have clear participation and oversight procedures to engage their municipal governments. Furthermore, these ordinances pave the way for the operation of participation mechanisms such as the "empty chair," public hearings, *cabildos,* oversight committees, and consultation with citizens before decision-making sessions take place.

Another achievement was the identification of local actors and the creation of simple database tools to keep records of organizations and institutions that act in municipalities. This mapping enabled municipal governments to include traditionally excluded actors and to give them a more functional level of participation in planning processes.

PROMUNI also promoted cooperation among supported municipalities to exchange strategies, methodologies, tools and, practices in participatory planning. Exchange of experiences, observation visits, and internships enabled municipalities to cooperate and provide TA among municipal officials in areas such as communication strategies, production of communicational materials, information mining, financing, templates,

and procedures. For example, the Director of Communication of Quilanga is the most experienced of the three municipalities and has become the first-stage advisor for the execution of communication strategies. In these exchanges, a great deal of emphasis was given to discussing options and alternatives for solving social, political, environmental, or institutional issues affecting municipalities.

3.2   Challenges in Citizen Participation and Oversight

Although political will from municipal council members and mayors is present to promote citizen participation in planning processes, political patronage in the exercise of power still persists. These practices endanger solid citizen participation in that participatory processes might be used as a political instrument to ensure or increase political assets. These political practices thrive in municipalities with a disorganized citizenry misinformed about constitutional and legal mandates that support citizen participation in planning and budgeting processes. PROMUNI, through its TA in communications, has fostered the dissemination of those legal mandates in the strategies devised by municipalities. The result of PROMUNI's work is best expressed by the fact that some 1,200 persons participated in Rioverde's assembly.

3.3   Solutions and Success Stories in Citizen Participation and Oversight

Increasing citizen awareness about legal mandates, rights, and obligations is important for maintaining momentum in participatory planning processes. PROMUNI will keep encouraging and strengthening communication campaigns to ensure citizens' involvement in such processes. Furthermore, PROMUNI must keep working with municipal council members and mayors to increase their willingness to boost participation through training and ongoing information exchanges among municipalities.

4.   Result 3: Increased Transparency

4.1   Progress in Transparency

Task 1: Enhance citizen oversight

The linkage between municipal systems for citizen participation and citizen oversight becomes evident in supported municipalities that enacted ordinances creating the SCPC. Those ordinances contain provisions for creating and recognizing citizen oversight committees as innate derivations of municipal participatory assemblies. After

Course on the National System for Public Procurement for supported municipalities. September 2011

participatory assemblies are installed, oversight committees are created to monitor the execution of participatory plans.

Task 2: Promote municipal transparency

PROMUNI supported transparency processes in municipalities by aiding in the preparation of accountability reports given by the mayors of Urcuquí and Pimampiro to local assemblies. During these events, mayors gave an accounting of investments and

Annual accountability report delivered by the mayor of Urcuquí. September 2011

current expenses and how they correspond to government plans (instead of PDOTs, which are still in the process of being prepared). Supported municipalities used their local-actor databases as participation tools to convene local actors in a more inclusive fashion.

In another aspect of municipal transparency, compliance with the Organic Law on Transparency and Access to Public Information (LOTAIP) started in the municipality of Quilanga with the design and implementation of its website.

Another result of the work in municipal transparency is the creation of conditions for internal transparency within municipalities. Promoting teamwork in municipalities

and involving political municipal authorities (council members and mayors) in the technical work has leveled many barriers to information sharing among municipal officials from different departments and organizational levels. Municipal information of a diverse nature is now more freely available to municipal officials.

Task 3: Improve procurement processes

Improvements in procurement processes started in phase-one municipalities with training in the SNCP. In cooperation with IAEN, 25 municipal officials gained basic knowledge about SNCP. With this basis, municipalities will receive training in more advanced processes focused on the specific needs of each municipality.

Another obstacle to effective procurement in municipalities is improvised procurement processes. PROMUNI is developing organizational tools and procedures manuals to be adapted and implemented in supported municipalities. Final products will be available by the end of October 2011.

4.2   Challenges in Transparency

Delays in contracting processes for consultancies to develop tools for the three tasks under the transparency result caused problems in achieving results during the first year. Of all the selected consultants, only one (procurement processes and structures) was available to do the job when the contracts finally were awarded.

4.3   Solutions and Success Stories in Transparency

The strategy for promoting transparency needs to be modified to speed up the implementation of transparency tools in supported municipalities. To this end, the involvement of subcontractors in the development of tools will be necessary to increase the effectiveness of PROMUNI in this line of action. Especially with regard to compliance with LOTAIP, the Technical University of Loja (UTPL) can contribute to the development, testing, and implementation of organizational and technological procedures to ensure compliance with LOTAIP in targeted municipalities.

5.   Monitoring and Evaluation

In the first year of the project, 20 municipalities were selected.[3] All of these municipalities received some degree of technical assistance from PROMUNI, with the level of support by the end of the year depending upon the time each municipality had been in the program. Because the pace of project implementation varied among the supported municipalities, however, there were noticeable differences concerning progress toward the indicators. Overall progress on indicators is available in *Table 1.* Progress on indicators for each phase-one municipality is found in *Annex A.*

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[3] Phase one started in January 2011 with 10 municipalities; the other 10 municipalities, constituting the second phase, signed their MOUs in July 2011.

Table 1: Progress on indicators

Indicator	Baseline	Goal 2011	Goal Reached	Goal Fulfillment
1.A: % of total expenditures in municipal budgets that was capital investment	61%	55%	71%	129%
1.B: % change in own-source revenues in two consecutive periods	0	20%	101%	505%
1.C: # of project-supported municipalities that have established and used a mechanism for routinely providing information on public budget planning and expenditures	0	12	0	0%
1.D: # of targeted municipalities that improved access to or quality of at least one service in past year due to U.S. Government (USG) assistance	0	6	7	117%
1.E: # of municipalities with integrated systems for collections, cadastre, registry, accounting, budgeting, and reporting (including integration into the Integrated Financial Management System [eSIGEF])	0	10	10	100%
1.F: # of subnational government entities that received USG assistance through project activities to improve their performance (standard indicator, Governing Justly and Democratically [GJD] element 2.3)	0	20	10	50%
1.G: # of individuals who received USG-assisted training, including management skills and fiscal management, to strengthen local government and/or decentralization (total; men, women; prioritized groups) (standard indicator, GJD 2.3)	0	250	586 persons; 34% women	234%
2.A: % of municipal projected investments that are allocated with participatory citizen input	0	30%	0%	0%
2.B: # of project-supported municipalities that used participatory strategic planning tools in their last municipal planning cycle	0	8	0	0%
2.C: % of members of citizen oversight committees who are (a) women and (b) from priority-attention (vulnerable) groups	0	20%	0%	0%
2.D: # of municipalities with a Council Commission on Equality and Gender (CCEG) (or equivalent) that met at least once a month in the past year	0	6	0	0%
2.E: % of council sessions in project-supported municipalities that had the "extra chair" occupied by a citizen representative (total, women, men, prioritized groups, membership or affiliation)	0	25%	0%	0%
2.F: # of local mechanisms supported with USG assistance for citizens to engage their subnational government (standard indicator, GJD 2.3)	0	20	75	375%
3.A: # of mechanisms for external oversight of public resource use supported by USG assistance implemented in the past year (standard indicator, GJD 2.4)	0	10	0	0%
3.B: # of project-supported municipalities that comply with transparency requirements of the LOTAIP	0	8	0	0%
3.C: # of mayors in targeted municipalities who publicly present an annual accountability report	0	8	3	38%
3.D: # of supported municipalities that lie above the national average in public procurement performance	0	6	0	0%

Progress on the M&E plan also reached the following milestones:

- Important progress occurred on indicators 1.A, 1.B, 1.D, 1.G, and 2.F. PROMUNI exceeded expectations for all these indicators.

- Indicator 1.G merits special attention because most phase-two municipalities and some other institutions also benefited from training in this year. TraiNet accounted for a total of 913 trainees, of whom 586 were unique persons. Details of numbers of trainees are presented in *Annex B.*

- The indicators with little or no progress were dependent on preconditions, or the requirements in the indicators definition were not fully met. For example, indicator 2.B reads "project-supported municipalities that used participatory strategic planning tools in their last municipal planning cycle." Although we have 15 municipalities with participatory assemblies created and diagnostics finished, and they are using participatory tools, these municipalities do not show in the indicator because PDOTs and multiyear budgets are yet to be prepared due to the Ecuadorean planning cycle. Similar reasons account for the figures in indicators 1.C, 2.A, 2.E, 3.B, 3.C, and 3.D.

- Indicator 2.C depends on the approval of a national-level ordinance, a model of which is being discussed with AMUME. Indicators 2.C and 3.A depend on the functioning of municipal participatory assemblies and the preparation of PDOTs.

6. Upcoming Events and Major Activities

PROMUNI anticipates the following events and activities within the first quarter of FY 2012.

6.1 National Events

Tentative Date	Event	Place	Participants
10/26	Course on the National System for Public Procurement (SNCP)	Quito	Supported municipalities
11/25	Campaign against gender violence in politics	Quito	Women council members

6.2 Local Events

Tentative Date	Event	Place	Participants
10/4	Inauguration of participatory assembly	Esmeraldas	Local actors and municipality
10/5	Inauguration of participatory assembly	Atacames	Local actors and municipality
10/13	Inauguration of participatory assembly	Tulcán	Local actors and municipality
10/15	Inauguration of participatory assembly	Urcuquí	Local actors and municipality

Tentative Date	Event	Place	Participants
10/16	Inauguration of participatory assembly	Pimampiro	Local actors and municipality
10/17	Inauguration of participatory assembly	Espejo	Local actors and municipality
10/19	Inauguration of participatory assembly	Mira	Local actors and municipality
10/21	Inauguration of participatory assembly	Bolívar	Local actors and municipality
11/01-04	Internships on arrears recovery	Various locations	Phase-two municipalities
11/09	Workshop for mayors, on National System for Public Procurement	Tulcán	North border municipalities, INCOP
12/13-16	Internship on determination and collection of special-improvement contributions	Tulcán	Supported municipalities.

7. Project Management, Cooperation and Coordination

7.1 Cooperation and Coordination with Counterpart Organizations

Development and citizen security

As noted previously, Ecuadorean municipalities are in the process of implementing new functions assigned to them by the Constitution and COOTAD. Among these new functions, municipalities must implement local citizen security committees in their territories. The quick answer municipalities are giving to this challenge is to work in security from a police and anti-delinquency perspective. However, in lieu of this limited way of implementing this function, municipalities need to consider citizen security as a component of development plans. This need is most evident in the northern border region, where weak state institutions, irregular armed groups from Colombia, organized crime, and disorganized citizenry converge to reduce opportunities for development and welfare for the population.

In coordination with AME and STPE, PROMUNI conducted the international seminar "Development, Planning, and Security in Border Zones" in September 2011. In this seminar, five areas were analyzed to consider citizen security in a more comprehensive way: violence in frontiers, border economies, demography, border policies, and municipal role in security. This seminar helped to more firmly establish citizen security as a function of municipalities and to discuss its integration into development plans. Speakers were researchers and mayors. They came from Ecuador, Mexico, Guatemala, Costa Rica, Colombia, Brazil, Argentina, and Peru. This seminar finished with several important conclusions about approaching citizen security in border-zone municipalities. The conclusions will be presented to the National Assembly as a contribution to the draft law on border development. A network of border municipalities to work on development and security was a result of this seminar.

Association of Ecuadorean Municipalities

Joint work with AME continues along several different lines of action and close coordination has been maintained at all times. The most significant activities carried out with AME are:

Paúl Granda, mayor of Cuenca and President of AME; and Ernesto Estupiñán, mayor of Esmeraldas, among other mayors, participated as guest speakers in the international seminar "Development, Planning, and Security in Border Zones." September 2011

- International cooperation: Transfer of the Information System of Cooperating Organizations (SIOC) to 90% of supported municipalities.

- Development planning: The development planning system designed by PROMUNI to implement the mandates of COOTAD and COPFP was the result of a consensus process with AME.

- Citizen participation and oversight: PROMUNI facilitated meetings and workshops aimed at defining AME's institutional strategy for citizen participation and oversight. Furthermore, the model ordinance to create municipal systems for citizen participation was also developed with the participation of AME's officials.

- Municipal Best Practices Award: PROMUNI sponsored its first Municipal Best Practices Award in March 2011.

- Knowledge management: Several publications are being prepared with AME to ensure that knowledge is distributed and experiences are replicated. These

publications will be model ordinances, methodologies, tools, and manuals. They are being worked on between AME and PROMUNI and will be funded by both organizations.

Association of Ecuadorean Women Municipal Leaders

The work with AMUME over this year, and especially during the last quarter, focused on the shaping of municipal councils' gender and equality commissions. A model ordinance for the creation of these commissions is under revision by AMUME prior to being implemented in all supported municipalities. PROMUNI is also assisting AMUME by providing support and TA for its political school for women, which provides political and technical training for women mayors and municipal council members.

Technical Secretariat for Plan Ecuador

The relationship between STPE and PROMUNI grew stronger over the last quarter of 2011. Actions are closely coordinated and discussed to establish synergies and complementarity between both organizations. PROMUNI finds solid backing for its activities from STPE. It is worth noting that STPE welcomed the conclusions from the international seminar and will further their application in its work along the north border.

Other institutions

- PROMUNI is plotting its work, especially in participatory planning, according to the guidelines and policies given by SENPLADES. PROMUNI has adapted its tools to national policies and will provide feedback on their implementation in supported municipalities.

- INCOP has welcomed PROMUNI's support for the strengthening of public procurement processes. A road map has been designed between INCOP and PROMUNI to provide training and replicate the tools developed by PROMUNI in public-procurement assistance.

- IAEN is the official provider of training for public sector officials. PROMUNI has developed a relationship with IAEN to train officials from supported municipalities. PROMUNI has delivered training in preparing investment projects in SENPLADES's templates and in the SNCP.

- PROMUNI has also developed a relationship with the MEF to provide feedback and facilitate the implementation of fiscal policies for municipalities. PROMUNI will reinforce changes in public finance by designing and implementing budgeting and other financial tools that bring together national policies and local government practices.

- PROMUNI facilitated the award of the loan from the State Development Bank to the municipality of Tulcán. Also, PROMUNI and BdE will share information and tools such as ordinances and plans for multiyear budgeting, arrears recovery, fee restructuring, and the like for replication in other municipalities.

7.2   RTI Short-Term Technical Assistance (STTA) and Program Support

During this year, PROMUNI was visited by several RTI international experts who provided training and support to PROMUNI staff for developing technical assistance tools, communication instruments, administration, and operations.

- In December 2010, Stephen Pereira (Technical Manager) and Bucky Fairfax (Vice-President of Human Resources), from RTI's headquarters, visited PROMUNI to strengthen the team's activities and devise a contingency plan due to the Chief of Party's departure from the project.

- Aldo Miranda visited the PROMUNI office in Quito February 7–11, 2011. He collaborated with PROMUNI's experts to develop a methodological proposal for participatory planning. This tool was also submitted for discussion with AME in order to obtain consensus on a planning tool that meets COOTAD and COPFP requirements.

- Mr. Pereira also visited PROMUNI February 21–March 4, 2011. During his visit, he worked closely with Vicente Cruz (PROMUNI Municipal Strengthening Coordinator) to develop a methodology for increasing municipal own-source revenues and collecting arrears.

- Mr. Pereira visited July 10–23 to work closely with Mr. Vicente Cruz to adapt and develop the multiyear capital investment planning methodology, which included a financial forecast module for municipalities to implement in the development of the PDOT.

- Erin Newton, communication expert, visited PROMUNI on February 20–26 2011. Ms. Newton provided expertise in preparing technical and communication documents to increase their quality in terms of content and effectiveness. She also met with USAID personnel to ensure that branding and marking requirements meet USAID policy.

- Brian Blater, RTI senior systems specialist, worked in PROMUNI from February 27 to March 6. His task comprised setting up computer equipment and systems in order to ensure proper networking, server installation, and wiring to meet RTI standards for information processing and security.

- Roberto Avilés, expert in finance and costing of public services, collaborated with PROMUNI in the costing of services for the water and sewerage municipal company in Eloy Alfaro, and in the development of arrears-recovery plans for the municipalities of Esmeraldas and Eloy Alfaro.

- Alysia Suarez, RTI's project administration specialist, visited PROMUNI on August 14–20, 2011. Ms. Suarez provided training and assistance to the PROMUNI Program Officer and Financial Manager in procurement and financial processes, consultant recruiting, selection and hiring, use of the RTI intranet (StaffNet), and other administrative processes.

7.3   Project Operations and Internal Project Management

PROMUNI's team incorporated new members to replace those who left the program during the last quarter. New members are:

- Martha Bazurto as Gender and Interinstitutional Coordination Specialist and Legal Advisor. Despite the title of the position, the activities carried out are

not limited solely to gender mainstreaming issues. PROMUNI will seek permission to change the position name and responsibilities to Coordinator of Inclusion and Cooperation.

- Pilar Maldonado as Communication and Knowledge Management Coordinator.
- Adriana Alvear as administrative assistant to our Program Manager.
- Paz Vintimilla as assistant to our Institutional Strengthening Coordinator.

A recruiting process was initiated to hire a Regional Coordinator for the province of Esmeraldas to increase operational capacity once the municipalities of Atacames and Muisne entered the program.

The implementation strategy based on subcontracting of TA was not fully applied during this year. This has become a problem common to all three of PROMUNI's results because, in order to supply technical assistance and meet the goals defined in the work plan, component coordinators have taken on planned activities that were meant to be carried out by subawardees. Two subcontracts were awarded in the south region and a selection process is under way in the north zone. Work orders are being defined to have the subcontractors in the south region start the TA process.

7.4   Communication Strategy

PROMUNI's communications team developed the communication policies and plan for the project. Branding and marking for PROMUNI products were discussed with USAID; this included joint products with counterparts and supported municipalities. All communication products, promotional material, and knowledge products adhered to branding and marking policies. PROMUNI was the first project to include the USAID 50th-anniversary branding in its promotional material. PROMUNI's web page is under development and the Twitter account @promuni1 is active to inform our followers of PROMUNI's activities in the municipalities and in our Quito office.

7.5   Knowledge Management

PROMUNI has developed methodologies focused on the implementation of tools to comply with the new legal framework. All these methodologies are being collected, along with the products developed in each municipality, in what is known as the toolbox. This toolbox is being maintained and expanded as PROMUNI advances in the execution of the project.

7.6   Coordination and Collaboration with Other International Projects

During USAID's planning workshops that took place on September 9, 2011, several lines of coordination and joint work among projects were identified. At this workshop, one of the main conclusions was that in municipalities where PROMUNI intervenes, other projects will contribute to preparation of PDOTs by participating in the discussions of participatory assemblies within the corresponding planning systems. Projects will also try to consolidate participatory processes by integrating

into their plans, if possible, projects included in PDOTs for the corresponding municipalities.

Collaboration with other USAID projects has been affected by defining and working on specific activities and products. For example, PROMUNI and Corporación Participación Ciudadana worked together to implement the "empty chair" in the municipality of Tulcán. PROMUNI worked on the issues related to internal municipal organization and procedures, and CPC worked with citizen organizations. In this way, both components of citizen engagement with public administration were tackled at the same time.

Coordination with the USAID project Costas y Bosques Sostenibles is now more important given that the municipalities in the south of the province of Manabí and north of Santa Elena are part of the program. Costas y Bosques has prepared environmental assessments and territory-management tools that will be integrated into the participatory planning process in the coastal cluster of municipalities.

Annex A: Progress on PROMUNI Indicators for FY 2011, by Municipality (Phase One)

Mira

Indicator	Baseline	Goal Reached
1.A: % of total expenditures in municipal budgets that was capital investment	59%	83%
1.B: % change in own-source revenues in two consecutive periods	0%	288%
1.C: # of project-supported municipalities that have established and used a mechanism for routinely providing information on public budget planning and expenditures		0
1.D: # of targeted municipalities that improved access to or quality of at least one service in past year due to U.S. Government (USG) assistance	0	1
1.E: # of municipalities with integrated systems for collections, cadastre, registry, accounting, budgeting, and reporting (including integration into the Integrated Financial Management System [eSIGEF])	0	1
1.F: # of subnational government entities that received USG assistance through project activities to improve their performance (standard indicator, Governing Justly and Democratically [GJD] element 2.3)	0	1
1.G: # of individuals who received USG-assisted training, including management skills and fiscal management, to strengthen local government and/or decentralization (total; men, women; prioritized groups) (standard indicator, GJD 2.3)	0	26 persons; 23% women
2.A: % of municipal projected investments that are allocated with participatory citizen input	0	0%
2.B: # of project-supported municipalities that used participatory strategic planning tools in their last municipal planning cycle	0	0
2.C: % of members of citizen oversight committees who are (a) women and (b) from priority-attention (vulnerable) groups	0	N/A
2.D: # of municipalities with a Council Commission on Equality and Gender (CCEG) (or equivalent) that met at least once a month in the past year	0	0
2.E: % of council sessions in project-supported municipalities that had the "extra chair" occupied by a citizen representative (total, women, men, prioritized groups, membership or affiliation)	0	N/A
2.F: # of local mechanisms supported with USG assistance for citizens to engage their subnational government (standard indicator, GJD 2.3)	0	5
3.A: # of mechanisms for external oversight of public resource use supported by USG assistance implemented in the past year (standard indicator, GJD 2.4)	0	0
3.B: # of project-supported municipalities that comply with transparency requirements of the Organic Law on Transparency and Access to Public Information (LOTAIP)	13%	0 (13%)

Indicator	Baseline	Goal Reached
3.C: # of mayors in targeted municipalities who publicly present an annual accountability report	0	0
3.D: # of supported municipalities that lie above the national average in public procurement performance	0	N/A

Montúfar

Indicator	Baseline	Goal Reached
1.A: % of total expenditures in municipal budgets that was capital investment	63%	70%
1.B: % change in own-source revenues in two consecutive periods	0	54%
1.C: # of project-supported municipalities that have established and used a mechanism for routinely providing information on public budget planning and expenditures		0
1.D: # of targeted municipalities that improved access to or quality of at least one service in past year due to USG assistance	0	1
1.E: # of municipalities with integrated systems for collections, cadastre, registry, accounting, budgeting, and reporting (including integration into eSIGEF)	0	1
1.F: # of subnational government entities that received USG assistance through project activities to improve their performance (standard indicator, GJD element 2.3)	0	1
1.G: # of individuals who received USG-assisted training, including management skills and fiscal management, to strengthen local government and/or decentralization (total; men, women; prioritized groups) (standard indicator, GJD 2.3)	0	21 persons; 43% women
2.A: % of municipal projected investments that are allocated with participatory citizen input	0%	0%
2.B: # of project-supported municipalities that used participatory strategic planning tools in their last municipal planning cycle	0	0
2.C: % of members of citizen oversight committees who are (a) women and (b) from priority-attention (vulnerable) groups	0%	N/A
2.D: # of municipalities with a Council Commission on Equality and Gender (or equivalent) that met at least once a month in the past year	0	0
2.E: % of council sessions in project-supported municipalities that had the "extra chair" occupied by a citizen representative (total, women, men, prioritized groups, membership or affiliation)	0%	N/A
2.F: # of local mechanisms supported with USG assistance for citizens to engage their subnational government (standard indicator, GJD 2.3)	0	5
3.A: # of mechanisms for external oversight of public resource use supported by USG assistance implemented in the past year (standard indicator, GJD 2.4)	0	0
3.B: # of project-supported municipalities that comply with transparency requirements of the LOTAIP	0	0 (0%)
3.C: # of mayors in targeted municipalities who publicly present an annual accountability report	0	0
3.D: # of supported municipalities that lie above the national average in public procurement performance	0	N/A

Tulcán

Indicator	Baseline	Goal Reached
1.A: % of total expenditures in municipal budgets that was capital investment	61%	77%
1.B: % change in own-source revenues in two consecutive periods	0%	158%
1.C: # of project-supported municipalities that have established and used a mechanism for routinely providing information on public budget planning and expenditures	0	0
1.D: # of targeted municipalities that improved access to or quality of at least one service in past year due to USG assistance	0	1
1.E: # of municipalities with integrated systems for collections, cadastre, registry, accounting, budgeting, and reporting (including integration into eSIGEF)	0	1
1.F: # of subnational government entities that received USG assistance through project activities to improve their performance (standard indicator, GJD element 2.3)	0	1
1.G: # of individuals who received USG-assisted training, including management skills and fiscal management, to strengthen local government and/or decentralization (total; men, women; prioritized groups) (standard indicator, GJD 2.3)	0	15 persons; 33% women
2.A: % of municipal projected investments that are allocated with participatory citizen input	0%	0%
2.B: # of project supported municipalities that used participatory strategic planning tools in their last municipal planning cycle	0	0
2.C: % of members of citizen oversight committees who are (a) women and (b) from priority-attention (vulnerable) groups	0%	N/A
2.D: # of municipalities with a Council Commission on Equality and Gender (or equivalent) that met at least once a month in the past year	0	0
2.E: % of council sessions in project-supported municipalities that had the "extra chair" occupied by a citizen representative (total, women, men, prioritized groups, membership or affiliation)	0%	N/A
2.F: # of local mechanisms supported with USG assistance for citizens to engage their subnational government (standard indicator, GJD 2.3)	0	5
3.A: # of mechanisms for external oversight of public resource use supported by USG assistance implemented in the past year (standard indicator, GJD 2.4)	0	0
3.B: # of project-supported municipalities that comply with transparency requirements of the LOTAIP	6%	0 (6%)
3.C: # of mayors in targeted municipalities who publicly present an annual accountability report	0	1
3.D: # of supported municipalities that lie above the national average in public procurement performance	0	N/A

Sucumbíos Alto

Indicator	Baseline	Goal Reached
1.A: % of total expenditures in municipal budgets that was capital investment	72%	89%
1.B: % change in own-source revenues in two consecutive periods	0%	250%
1.C: # of project-supported municipalities that have established and used a mechanism for routinely providing information on public budget planning and expenditures	0	0
1.D: # of targeted municipalities that improved access to or quality of at least one service in past year due to USG assistance	0	0
1.E: # of municipalities with integrated systems for collections, cadastre, registry, accounting, budgeting, and reporting (including integration into eSIGEF)	0	1
1.F: # of subnational government entities that received USG assistance through project activities to improve their performance (standard indicator, GJD element 2.3)	0	1
1.G: # of individuals who received USG-assisted training, including management skills and fiscal management, to strengthen local government and/or decentralization (total; men, women; prioritized groups) (standard indicator, GJD 2.3)	0	20 persons; 20% women
2.A: % of municipal projected investments that are allocated with participatory citizen input	0	0%
2.B: # of project supported municipalities that used participatory strategic planning tools in their last municipal planning cycle	0	0
2.C: % of members of citizen oversight committees who are (a) women and (b) from priority-attention (vulnerable) groups	0	N/A
2.D: # of municipalities with a Council Commission on Equality and Gender (or equivalent) that met at least once a month in the past year	0	0
2.E: % of council sessions in project-supported municipalities that had the "extra chair" occupied by a citizen representative (total, women, men, prioritized groups, membership or affiliation)	0	N/A
2.F: # of local mechanisms supported with USG assistance for citizens to engage their subnational government (standard indicator, GJD 2.3)	0	5
3.A: # of mechanisms for external oversight of public resource use supported by USG assistance implemented in the past year (standard indicator, GJD 2.4)	0	0
3.B: # of project-supported municipalities that comply with transparency requirements of the LOTAIP	13%	0 (13%)
3.C: # of mayors in targeted municipalities who publicly present an annual accountability report	0	0
3.D: # of supported municipalities that lie above the national average in public procurement performance	0	N/A

Eloy Alfaro

Indicator	Baseline	Goal Reached
1.A: % of total expenditures in municipal budgets that was capital investment	72%	65%
1.B: % change in own-source revenues in two consecutive periods	0%	44%
1.C: # of project-supported municipalities that have established and used a mechanism for routinely providing information on public budget planning and expenditures	0	0
1.D: # of targeted municipalities that improved access to or quality of at least one service in past year due to USG assistance	0	1
1.E: # of municipalities with integrated systems for collections, cadastre, registry, accounting, budgeting, and reporting (including integration into eSIGEF)	0	1
1.F: # of subnational government entities that received USG assistance through project activities to improve their performance (standard indicator, GJD element 2.3)	0	1
1.G: # of individuals who received USG-assisted training, including management skills and fiscal management, to strengthen local government and/or decentralization (total; men, women; prioritized groups) (standard indicator, GJD 2.3)	0	68 persons; 40% women
2.A: % of municipal projected investments that are allocated with participatory citizen input	0	0%
2.B: # of project supported municipalities that used participatory strategic planning tools in their last municipal planning cycle	0	0
2.C: % of members of citizen oversight committees who are (a) women and (b) from priority-attention (vulnerable) groups	0	N/A
2.D: # of municipalities with a Council Commission on Equality and Gender (or equivalent) that met at least once a month in the past year	0	0
2.E: % of council sessions in project-supported municipalities that had the "extra chair" occupied by a citizen representative (total, women, men, prioritized groups, membership or affiliation)	0	N/A
2.F: # of local mechanisms supported with USG assistance for citizens to engage their subnational government (standard indicator, GJD 2.3)	0	5
3.A: # of mechanisms for external oversight of public resource use supported by USG assistance implemented in the past year (standard indicator, GJD 2.4)	0	0
3.B: # of project-supported municipalities that comply with transparency requirements of the LOTAIP	13%	0 (13%)
3.C: # of mayors in targeted municipalities who publicly present an annual accountability report	0	0
3.D: # of supported municipalities that lie above the national average in public procurement performance	0	N/A

Rioverde

Indicator	Baseline	Goal Reached
1.A: % of total expenditures in municipal budgets that was capital investment	51%	57%
1.B: % change in own-source revenues in two consecutive periods	0%	53%
1.C: # of project-supported municipalities that have established and used a mechanism for routinely providing information on public budget planning and expenditures	0	0
1.D: # of targeted municipalities that improved access to or quality of at least one service in past year due to USG assistance	0	1
1.E: # of municipalities with integrated systems for collections, cadastre, registry, accounting, budgeting, and reporting (including integration into eSIGEF)	0	1
1.F: # of subnational government entities that received USG assistance through project activities to improve their performance (standard indicator, GJD element 2.3)	0	1
1.G: # of individuals who received USG-assisted training, including management skills and fiscal management, to strengthen local government and/or decentralization (total; men, women; prioritized groups) (standard indicator, GJD 2.3)	0	52 persons; 52% women
2.A: % of municipal projected investments that are allocated with participatory citizen input	0%	0%
2.B: # of project supported municipalities that used participatory strategic planning tools in their last municipal planning cycle	0	0
2.C: % of members of citizen oversight committees who are (a) women and (b) from priority-attention (vulnerable) groups	0%	N/A
2.D: # of municipalities with a Council Commission on Equality and Gender (or equivalent) that met at least once a month in the past year	0	0
2.E: % of council sessions in project-supported municipalities that had the "extra chair" occupied by a citizen representative (total, women, men, prioritized groups, membership or affiliation)	0%	N/A
2.F: # of local mechanisms supported with USG assistance for citizens to engage their subnational government (standard indicator, GJD 2.3)	0	5
3.A: # of mechanisms for external oversight of public resource use supported by USG assistance implemented in the past year (standard indicator, GJD 2.4)	0	0
3.B: # of project-supported municipalities that comply with transparency requirements of the LOTAIP	6%	0 (6%)
3.C: # of mayors in targeted municipalities who publicly present an annual accountability report	0	0
3.D: # of supported municipalities that lie above the national average in public procurement performance	0	N/A

Esmeraldas

Indicator	Baseline	Goal Reached
1.A: % of total expenditures in municipal budgets that was capital investment	N/A	68%
1.B: % change in own-source revenues in two consecutive periods	0%	65%
1.C: # of project-supported municipalities that have established and used a mechanism for routinely providing information on public budget planning and expenditures	0	0
1.D: # of targeted municipalities that improved access to or quality of at least one service in past year due to USG assistance	0	0
1.E: # of municipalities with integrated systems for collections, cadastre, registry, accounting, budgeting, and reporting (including integration into eSIGEF)	0	1
1.F: # of subnational government entities that received USG assistance through project activities to improve their performance (standard indicator, GJD element 2.3)	0	1
1.G: # of individuals who received USG-assisted training, including management skills and fiscal management, to strengthen local government and/or decentralization (total; men, women; prioritized groups) (standard indicator, GJD 2.3)	0	40 persons; 30% women
2.A: % of municipal projected investments that are allocated with participatory citizen input	0	0%
2.B: # of project supported municipalities that used participatory strategic planning tools in their last municipal planning cycle	0	0
2.C: % of members of citizen oversight committees who are (a) women and (b) from priority-attention (vulnerable) groups	0	N/A
2.D: # of municipalities with a Council Commission on Equality and Gender (or equivalent) that met at least once a month in the past year	0	0
2.E: % of council sessions in project-supported municipalities that had the "extra chair" occupied by a citizen representative (total, women, men, prioritized groups, membership or affiliation)	0	N/A
2.F: # of local mechanisms supported with USG assistance for citizens to engage their subnational government (standard indicator, GJD 2.3)	0	5
3.A: # of mechanisms for external oversight of public resource use supported by USG assistance implemented in the past year (standard indicator, GJD 2.4)	0	0
3.B: # of project-supported municipalities that comply with transparency requirements of the LOTAIP	28%	0 (31%)
3.C: # of mayors in targeted municipalities who publicly present an annual accountability report	0	0
3.D: # of supported municipalities that lie above the national average in public procurement performance	0	N/A

Gonzanamá

Indicator	Baseline	Goal Reached
1.A: % of total expenditures in municipal budgets that was capital investment	59%	75%
1.B: % change in own-source revenues in two consecutive periods	0%	69%
1.C: # of project-supported municipalities that have established and used a mechanism for routinely providing information on public budget planning and expenditures	0	0
1.D: # of targeted municipalities that improved access to or quality of at least one service in past year due to USG assistance	0	0
1.E: # of municipalities with integrated systems for collections, cadastre, registry, accounting, budgeting, and reporting (including integration into eSIGEF)	0	1
1.F: # of subnational government entities that received USG assistance through project activities to improve their performance (standard indicator, GJD element 2.3)	0	1
1.G: # of individuals who received USG-assisted training, including management skills and fiscal management, to strengthen local government and/or decentralization (total; men, women; prioritized groups) (standard indicator, GJD 2.3)	0	25 persons; 20% women
2.A: % of municipal projected investments that are allocated with participatory citizen input	0	0%
2.B: # of project supported municipalities that used participatory strategic planning tools in their last municipal planning cycle	0	0
2.C: % of members of citizen oversight committees who are (a) women and (b) from priority-attention (vulnerable) groups	0	N/A
2.D: # of municipalities with a Council Commission on Equality and Gender (or equivalent) that met at least once a month in the past year	0	0
2.E: % of council sessions in project-supported municipalities that had the "extra chair" occupied by a citizen representative (total, women, men, prioritized groups, membership or affiliation)	0	N/A
2.F: # of local mechanisms supported with USG assistance for citizens to engage their subnational government (standard indicator, GJD 2.3)	0	5
3.A: # of mechanisms for external oversight of public resource use supported by USG assistance implemented in the past year (standard indicator, GJD 2.4)	0	0
3.B: # of project-supported municipalities that comply with transparency requirements of the LOTAIP	13%	0 (0%)
3.C: # of mayors in targeted municipalities who publicly present an annual accountability report	0	0
3.D: # of supported municipalities that lie above the national average in public procurement performance	0	N/A

Espíndola

Indicator	Baseline	Goal Reached
1.A: % of total expenditures in municipal budgets that was capital investment	60%	75%
1.B: % change in own-source revenues in two consecutive periods	0%	252%
1.C: # of project-supported municipalities that have established and used a mechanism for routinely providing information on public budget planning and expenditures	0	0
1.D: # of targeted municipalities that improved access to or quality of at least one service in past year due to USG assistance	0	1
1.E: # of municipalities with integrated systems for collections, cadastre, registry, accounting, budgeting, and reporting (including integration into eSIGEF)	0	1
1.F: # of subnational government entities that received USG assistance through project activities to improve their performance (standard indicator, GJD element 2.3)	0	1
1.G: # of individuals who received USG-assisted training, including management skills and fiscal management, to strengthen local government and/or decentralization (total; men, women; prioritized groups) (standard indicator, GJD 2.3)	0	12 persons; 50% women
2.A: % of municipal projected investments that are allocated with participatory citizen input	0	0%
2.B: # of project supported municipalities that used participatory strategic planning tools in their last municipal planning cycle	0	0
2.C: % of members of citizen oversight committees who are (a) women and (b) from priority-attention (vulnerable) groups	0	N/A
2.D: # of municipalities with a Council Commission on Equality and Gender (or equivalent) that met at least once a month in the past year	0	0
2.E: % of council sessions in project-supported municipalities that had the "extra chair" occupied by a citizen representative (total, women, men, prioritized groups, membership or affiliation)	0	N/A
2.F: # of local mechanisms supported with USG assistance for citizens to engage their subnational government (standard indicator, GJD 2.3)	0	5
3.A: # of mechanisms for external oversight of public resource use supported by USG assistance implemented in the past year (standard indicator, GJD 2.4)	0	0
3.B: # of project-supported municipalities that comply with transparency requirements of the LOTAIP	13%	0 (13%)
3.C: # of mayors in targeted municipalities who publicly present an annual accountability report	0	0
3.D: # of supported municipalities that lie above the national average in public procurement performance	0	N/A

Quilanga

Indicator	Baseline	Goal Reached
1.A: % of total expenditures in municipal budgets that was capital investment	69%	60%
1.B: % change in own-source revenues in two consecutive periods	0%	157%
1.C: # of project-supported municipalities that have established and used a mechanism for routinely providing information on public budget planning and expenditures	0	0
1.D: # of targeted municipalities that improved access to or quality of at least one service in past year due to USG assistance	0	1
1.E: # of municipalities with integrated systems for collections, cadastre, registry, accounting, budgeting, and reporting (including integration into eSIGEF)	0	1
1.F: # of subnational government entities that received USG assistance through project activities to improve their performance (standard indicator, GJD element 2.3)	0	1
1.G: # of individuals who received USG-assisted training, including management skills and fiscal management, to strengthen local government and/or decentralization (total; men, women; prioritized groups) (standard indicator, GJD 2.3)	0	18 persons; 22% women
2.A: % of municipal projected investments that are allocated with participatory citizen input	0	0%
2.B: # of project supported municipalities that used participatory strategic planning tools in their last municipal planning cycle	0	0
2.C: % of members of citizen oversight committees who are (a) women and (b) from priority-attention (vulnerable) groups	0	N/A
2.D: # of municipalities with a Council Commission on Equality and Gender (or equivalent) that met at least once a month in the past year	0	0
2.E: % of council sessions in project-supported municipalities that had the "extra chair" occupied by a citizen representative (total, women, men, prioritized groups, membership or affiliation)	0	N/A
2.F: # of local mechanisms supported with USG assistance for citizens to engage their subnational government (standard indicator, GJD 2.3)	0	5
3.A: # of mechanisms for external oversight of public resource use supported by USG assistance implemented in the past year (standard indicator, GJD 2.4)	0	0
3.B: # of project-supported municipalities that comply with transparency requirements of the LOTAIP	13%	0 (13%)
3.C: # of mayors in targeted municipalities who publicly present an annual accountability report	0	0
3.D: # of supported municipalities that lie above the national average in public procurement performance	0	N/A

Annex B: Number of Trainees, by Institution

In this first year of execution, PROMUNI gave great emphasis to training. The following table shows the distribution of trainees by institution and gender. These figures count each person once, independently of the number of training events that person attended.

Institutions	Total	Women	Men
Phase-One Municipalities	**297**	**105**	**192**
Municipality of Eloy Alfaro	68	27	41
Municipality of Esmeraldas	40	12	28
Municipality of Espíndola	12	6	6
Municipality of Gonzanamá	25	5	20
Municipality of Mira	26	6	20
Municipality of Montúfar	21	9	12
Municipality of Quilanga	18	4	14
Municipality of Rioverde	52	27	25
Municipality of Sucumbíos	20	4	16
Municipality of Tulcán	15	5	10
Phase-Two Municipalities	**184**	**66**	**118**
Municipality of Atacames	21	9	12
Municipality of Bolívar	62	28	34
Municipality of Espejo	17	2	15
Municipality of Huaca	11	4	7
Municipality of Jipijapa	3	2	1
Municipality of Muisne	12	6	6
Municipality of Paján	2	1	1
Municipality of Pimampiro	16	6	10
Municipality of Puerto López	6	1	5

Institutions	Total	Women	Men
Municipality of Santa Elena	3	0	3
Municipality of Urcuquí	31	7	24
Other Municipalities	**15**	**6**	**9**
Muncipality of Catamayo	1	0	1
Municipality of Calvas	9	6	3
Municipality of Loja	1	0	1
Municipality of Macará	2	0	2
Municipality of Sozoranga	2	0	2
Counterparts	**8**	**3**	**5**
AME	3	1	2
STPE	5	2	3
Territorial Institutions	**17**	**6**	**11**
AME-Loja	1	0	1
AME-Imbabura	1	0	1
Corporación Participación Ciudadana	4	2	2
Fundación Ayuda en Acción	5	3	2
Provincial Government of Loja	1	0	1
Mancomunidades	3	1	2
Universidad Nacional de Loja	2	0	2
Other	**65**	**19**	**46**
N/A	2	2	0
Unidentified	63	17	46
Total Unique Trainees	**586**	**199**	**370**
	100%	**34%**	**63%**

The chart below summarizes the percentage distribution of trainees by institution: